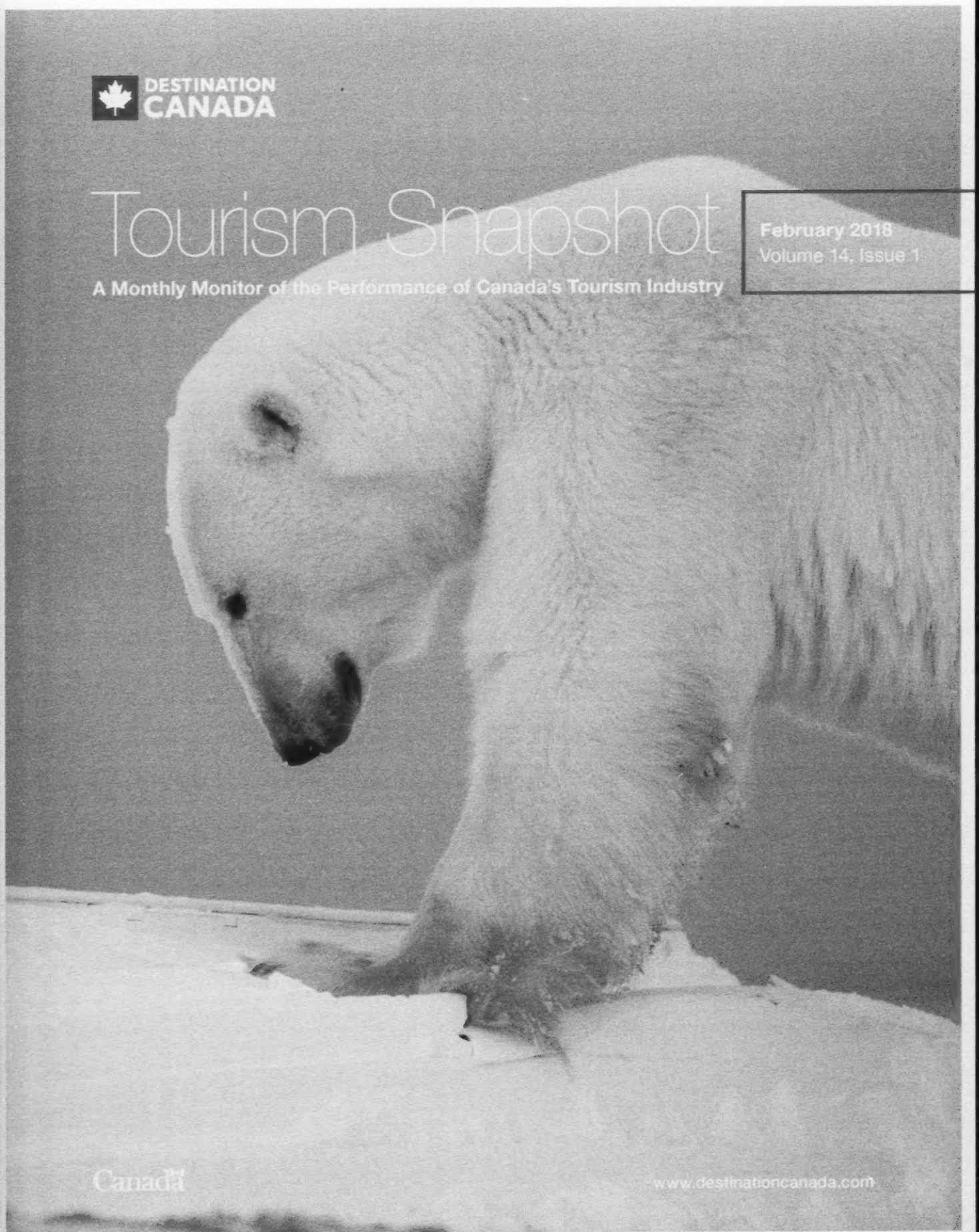


DESTINATION CANADA

Tourism Snapshot

A Monthly Monitor of the Performance of Canada's Tourism Industry

February 2018
Volume 14, Issue 1

Canada

www.destinationcanada.com

KEY HIGHLIGHTS

- **After a slow start in January, tourism arrivals to Canada from Destination Canada's international markets increased by 8.1% year-over-year in February 2018, with strong growth in arrivals from Destination Canada's nine overseas markets (+13.3%) as well as from the US (+6.5%). The double-digit growth from our overseas markets was driven by solid performances from China (+46.2%), India (+25.8%), Mexico (+21.2%), Germany (+17.9%), France (+13.0%) and Australia (+10.2%).**
- **Over the first two months of 2018, overnight arrivals from Destination Canada's international markets accelerated (+5.5%), driven by Mexico (+20.7%) and Destination Canada's Asia-Pacific markets (+10.7%) recording double-digit gains, followed by the US (+4.4%) and Europe (+4.1%).**
- **February 2018 overnight arrivals from Mexico (+21.2%) were facilitated by a 74.5% increase in direct air capacity, which supported a 76.5% gain in direct air arrivals – a performance which stood in sharp contrast to contractions in arrivals via the US by air (-28.1%) and by land (-73.4%).**
- **Following subdued arrivals in January, the exceptional growth in overnight arrivals from China registered in February 2018 (+46.2%) was expected to coincide with the Lunar (Chinese) New Year celebrations taking place in mid-February this year (vs. late January in 2017), as many Chinese tourists travel internationally for this national holiday. Year-to-date, arrivals from China are up 22.3% relative to the first two months of 2017.**
- **Japan (-10.3%) and the United Kingdom (-4.8%) were the only Destination Canada markets to sustain contractions in arrivals in February 2018. Consumer confidence in both markets remained generally negative at the time, with the economic situation being a continued concern in the UK and poor job prospects weighing on consumer expenditures in Japan. Arrivals over the first two months of 2018 stood at -11.4% for Japan and -5.5% for the UK.**
- **Overnight arrivals from the US by air increased by a very robust 16.3% in February 2018 (13.0% year-to-date), while auto arrivals stood on par with the same month last year (+0.5% in February, -1.7% year to date) after being held back by unusually cold temperatures in January.**

Note the following caveat from Statistics Canada associated with the February 2018 data: *Data for Statistics Canada's Frontier Counts program are produced using administrative data received from the Canada Border Services Agency (CBSA) on all international travellers who have been cleared for entry or re-entry into Canada. This includes residents of Canada, the United States and overseas entering Canada from abroad.*

In 2017, the CBSA began introducing the electronic Primary Inspection Kiosk (PIK) system at airports in Canada. The PIK system replaces the E-311 Declaration Cards that are completed by international travellers to Canada. As of the end of November, the PIK system was deployed at the following airports: Macdonald-Cartier, Ottawa (March 2017), Vancouver (April 2017), Toronto International Airport T3 (June 2017), Edmonton (September 2017), Halifax (October 2017), and Pierre-Elliot Trudeau, Montréal (November 2017).

While waiting for the introduction of PIK data into the frontier counts in the near future, Statistics Canada has prepared preliminary estimates for airports at which PIK has been deployed. These estimates are based on CBSA reports of total international travellers by airport, while the distribution between Canadian, US and travellers from individual overseas countries are modelled estimates based on historical data and trends, using methods similar to those used to do seasonal adjustment.

QUICK LINKS

UNITED STATES

MEXICO

EUROPE

ASIA-PACIFIC

Industry Performance Dashboard

	February 2018	YTD
Overnight Arrivals[1]		
Total International	↑ 9.0%	↑ 5.9%
10 DC Markets*	↑ 8.1%	↑ 5.5%
United States	↑ 6.5%	↑ 4.4%
9 Overseas Markets	↑ 13.3%	↑ 9.1%
Non-DC Markets	↑ 15.7%	↑ 8.5%
Air Seat Capacity[2]		
Total International	↑ 5.9%	↑ 5.8%
10 DC Markets*	↑ 4.6%	↑ 4.7%
Non-DC Markets	↑ 8.4%	↑ 7.9%
National Hotel Indicators[3]		
Occupancy Rate**	↑ 0.8	↑ 1.5
Revenue Per Available Room (Revpar)	↑ 4.2%	↑ 4.3%
Average Daily Rate (ADR)	↑ 5.7%	↑ 7.1%

Notes:
The Industry Performance Dashboard figures are year-on-year variations.
* The 10 DC markets are US, France, Germany, UK, Australia, China, India, Japan, South Korea and Mexico.
** Percentage point variations.

Sources:
1. Statistics Canada, Frontier counts, custom tabulations
2. IATA Dilo SRS Analyser
3. CBRE Hotels with reproduction and use of information subject to CBRE Disclaimer / Terms of Use as detailed at www.cbre.ca.

MARKET MONITOR SUMMARY

		Overnight Arrivals[i]		Arrival YOY Variations (%)		Air Seat capacity[ii]		Local currency vs. CAD[iii]	
	Market	Feb. 2018	YTD 2018	Feb. 2018	YTD 2018	Feb. 2018	YTD 2018	Feb. 2018 Average	YTD Average
DC North America	United States	659,702	1,237,638	6.5%	4.4%	3.8%	3.9%	-4.0%	-4.9%
	Mexico	21,628	44,340	21.2%	20.7%	74.5%	75.9%	4.5%	5.6%
DC Europe	France	36,503	61,748	13.0%	11.9%	0.7%	-1.0%	11.3%	9.7%
	Germany	15,367	27,949	17.9%	12.8%	-2.3%	-5.0%	11.3%	9.7%
	United Kingdom	35,543	64,085	-4.8%	-5.5%	-0.1%	1.0%	7.3%	6.4%
DC Asia-Pacific	Australia	14,997	42,821	10.2%	5.9%	-2.6%	9.6%	-1.5%	-0.5%
	China	45,533	92,649	46.2%	22.3%	3.8%	2.9%	4.4%	2.7%
	India	11,953	23,629	25.8%	25.8%	25.8%	31.4%	-0.2%	0.3%
	Japan	19,646	31,774	-10.3%	-11.4%	-7.3%	-2.8%	0.4%	-1.0%
	South Korea	12,789	29,049	5.2%	4.6%	18.8%	16.1%	1.5%	2.8%
Total 10 DC Markets		873,661	1,655,682	8.1%	5.5%				
Rest of the World		120,498	236,989	15.7%	8.5%				
Total International		994,159	1,892,671	9.0%	5.9%				

Sources:
i. Statistics Canada, Frontier counts, custom tabulations
ii. IATA Dilo SRS Analyser
iii. Bank of Canada

Notes:
i. Arrival figures are preliminary estimates and are subject to change.
ii. Air seat capacity is the variation in the total number of seats on direct commercial scheduled flights during the current month and YTD relative to the same periods in the previous year.
iii. The exchange rate variation is calculated on the average value of the Canadian dollar during during the current month and YTD relative to the same periods in the previous year.

UNITED STATES

US Arrivals to Canada

CURRENT MONTH:

+6.5% ↑ YOY

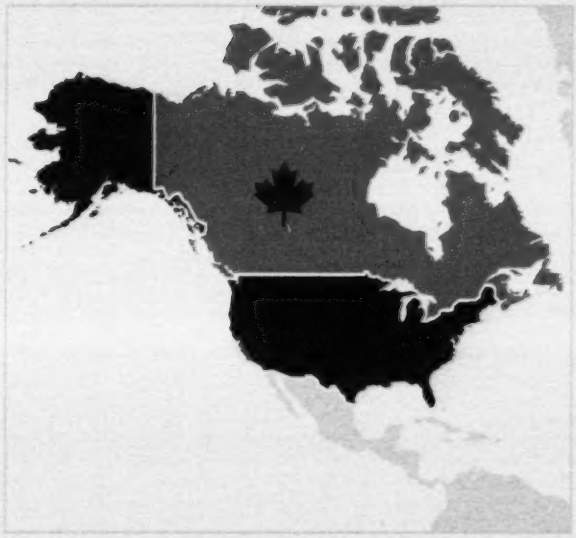
YTD:

+4.4% ↑ YOY

Overnight Arrivals

	February 2018		YTD 2018	
	Arrivals	% YOY Variance	Arrivals	% YOY Variance
Automobile	357,207	0.5	648,843	-1.7
Air	268,363	16.3	520,977	13.0
Other	34,132	3.2	67,818	3.8
US Total	**659,702**	**6.5**	**1,237,638**	**4.4**

Source: Statistics Canada, Frontier counts, custom tabulations.
Note: The figures are preliminary estimates and are subject to change.



Trend Plot: Total United States Arrivals

United States: Key Indicators

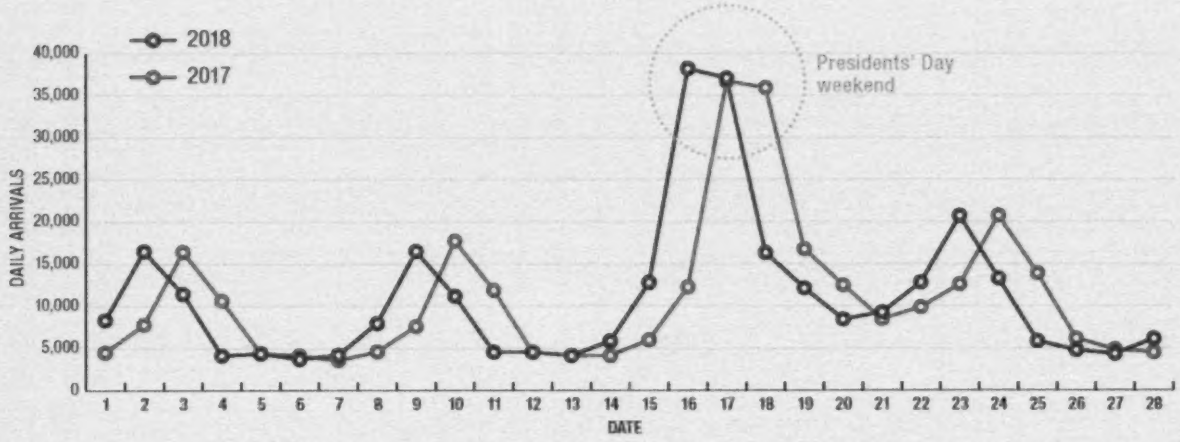
Air Seat Capacity[i]	February 2018	3.8%
	YTD	3.9%
Exchange Rate[ii]	February 2018	-4.0%
	YTD	-4.9%
Consumer Confidence Index (1985=100)[iii]	February 2018	130.0
	Previous Month	124.3
YTD Arrival Peak[iv]	Peak Year	2003
	Current % of Previous Peak	88.6%

Source:
i. IATA Dilo SRS Analyser, Year on year % variance.
ii. Bank of Canada, Year on year % variance.
iii. Consumer Confidence Index, the Conference Board (USA).
iv. Statistics Canada, Frontier counts, custom tabulations.

UNITED STATES

- The US market started the year on solid footing, with nearly 660,000 overnight arrivals to Canada in February 2018, up +6.5% over February 2017, bringing the year-to-date total for the first two months of 2018 to 1.2 million (+4.4% year-over-year). Despite a weaker US dollar in Canada over this period (-4.0% in February, -4.9% YTD), US tourists at the start of 2018 visited Canada in the highest numbers since 2005.
- As in 2017, this strong performance from the US market was primarily driven by air arrivals – up 16.3% in February (+13.0% YTD) and making up more than 40% of US arrivals over this period (40.7% in February, 42.1% YTD). A steady climb in air capacity between Canada and the US (+3.8% in February, +3.9% YTD) supported this shift toward more air travel to Canada.
- US auto arrivals in February 2018 were roughly on par with the same month last year, though marginally down year-to-date (-1.7%), likely due in part to a cold snap in January. Auto arrivals continued to make up just over half of US overnight arrivals (54.1% in February, 52.4% YTD).
- Arrivals by other modes of transportation, such as bus, train, and cruise, made up a relatively smaller proportion of US overnight arrivals, but still recorded steady growth (+3.2% in February, +3.8% YTD).
- Over the first two months of 2018, the largest share of US overnight arrivals by vehicle[1] originated from Washington (24.5%), New York (21.0%), and Michigan (11.9%)[2]. Daily trends on vehicle arrivals show that the number of US visitors driving across the border typically peaks on weekends, with particularly high arrivals on holiday long weekends. In February 2018, visitors over the Presidents' Day long weekend were slightly ahead of the same weekend in 2017.
- Following a sharp drop at the end of 2017, the consumer confidence index published by the US Conference Board made a strong start to 2018, jumping 5.7 points to reach a remarkable 130.0 in February 2018.

Daily US Overnight Auto Arrivals - February 2018



Note: Daily US resident overnight auto arrivals at land ports with Integrated Primary Inspection Lane (IPIL).

[1] States of origin information is based on Integrated Primary Inspection Lane (IPIL) data collected from US residents entering Canada in automobiles with license plates registered in the United States.

[2] Some automobiles driven across the border may be rental vehicles. Rented vehicles in one US state may be registered in a different state.

MEXICO

Mexico Arrivals to Canada

CURRENT MONTH:

+21.2% ↑ YOY

YTD:

+20.7% ↑ YOY

Overnight Arrivals

	February 2018		YTD 2018	
	Arrivals	% YOY Variance	Arrivals	% YOY Variance
Mexico	21,628	21.2	44,340	20.7

Source: Statistics Canada, Frontier counts, custom tabulations.
Note: The figures are preliminary estimates and are subject to change.

Arrival Trend Plot – Total Mexico

Mexico: Key Indicators

		Mexico
Air Seat Capacity[i]	February 2018	74.5%
	YTD	75.9%
Exchange Rate[ii]	February 2018	4.5%
	YTD	5.6%
YTD Arrival Peak[iii]	Peak Year	2017
	Current % of Previous Peak	120.7%

Sources:
i. IATA Dilo SRS Analyser, Year-on-year % variance.
ii. Bank of Canada, Year on year % variance.
iii. Statistics Canada, Frontier counts, custom tabulations.

MEXICO

- Arrivals from Mexico continued to grow at a rapid pace, with almost 22,000 arrivals in February 2018 (+21.2% vs. February 2017), bringing the total over the first two months of 2018 to just over 44,000 (+20.7% compared to the same period a year ago).These numbers mark new arrivals records for Mexico, both for the month of February and year-to-date.
- This performance from the Mexican market at the start of 2018 shows that the positive trend observed since the replacement of the visa requirement for Mexican citizens with the eTA in December 2016 has been sustained beyond the one-year mark.
- February visitors from Mexico primarily flew directly to Canada, with direct air arrivals up 76.5% over the same month in 2017. This was supported by the continued expansion of direct air capacity to Canada (+74.5%). In contrast, arrivals via the US were sharply down compared to a year ago, both by land (-73.4%) and by air (-28.1%). A similar trend was observed year-to-date.
- The improved strength of the Mexican Peso in Canada (+4.5% in February, +5.6% YTD) likely also supported the continued growth of tourism visitation from this market.

Mexico Arrivals by Port of Entry

- Year-to-date in 2018, a large majority (82.5%) of tourists from Mexico arrived by air directly from overseas. Among those direct air arrivals, 40.5% landed at YYZ, followed by almost equal numbers flying into YUL (28.2%) or YVR (27.8%).
- Year-to-date arrivals via the US by air and by land made up 12.3% and 5.2% of arrivals from Mexico, respectively.

			Mexico
Air Arrivals from Overseas	YYZ	Arrivals	14,818
		YOY%	51.7%
		% of Total	**33.4%**
	YVR	Arrivals	10,180
		YOY%	26.3%
		% of Total	**23.0%**
	YUL	Arrivals	10,331
		YOY%	222.1%
		% of Total	**23.3%**
	YYC	Arrivals	920
		YOY%	182.2%
		% of Total	**2.1%**
	All other airports	Arrivals	321
		YOY%	1.5%
		% of Total	**0.7%**
	Subtotal	Arrivals	36,570
		YOY%	69.2%
		% of Total	**82.5%**
Air Arrivals via the US	All airports	Arrivals	5,452
		YOY%	-23.2%
		% of Total	**12.3%**
Sea Arrivals	All sea borders	Arrivals	0
		YOY%	0.0%
		% of Total	**0.0%**
Land Arrivals via US	All land borders	Arrivals	2,288
		YOY%	-71.5%
		% of Total	**5.2%**
Total Overnight Arrivals			**44,340**

Source: Statistics Canada, Frontier counts, custom tabulations, Table C.
Note: The figures are preliminary estimates and are subject to change.

EUROPE

Europe Arrivals to Canada

CURRENT MONTH:

+5.7% ↑ YOY

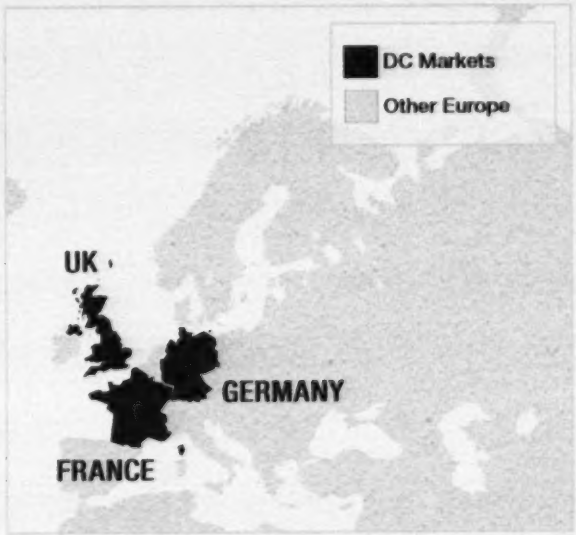
YTD:

+4.1% ↑ YOY

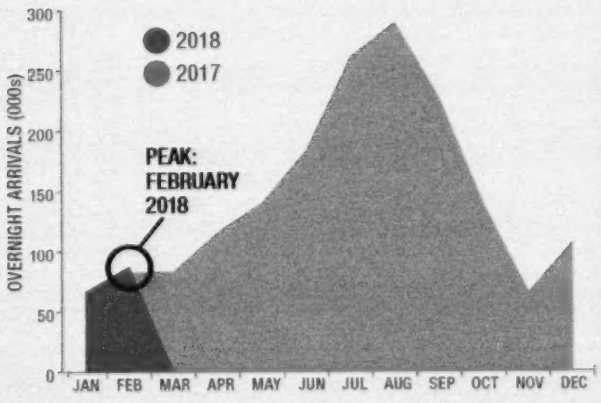
Overnight Arrivals

	February 2018		YTD 2018	
	Arrivals	% YOY Variance	Arrivals	% YOY Variance
DC Europe	**87,413**	**5.7**	**153,782**	**4.1**
United Kingdom	35,543	-4.8	64,085	-5.5
France	36,503	13.0	61,748	11.9
Germany	15,367	17.9	27,949	12.8
Other Europe	**51,510**	**98.2**	**99,670**	**83.4**
Italy	3,993	18.8	8,587	14.5
Netherlands	5,769	7.6	10,949	13.4
Spain	3,736	58.0	7,756	46.9
Switzerland	5,229	-0.9	9,486	-2.6
Rest of Europe	32,783	14.7	62,892	11.2
Total Europe	**138,923**	**8.9**	**253,452**	**7.2**

Source: Statistics Canada, Frontier counts, custom tabulations.
Note: The figures are preliminary estimates and are subject to change.



Trend Plot: Total DC Europe Arrivals



DC Europe: Key Indicators

		France	Germany	United Kingdom
Air Seat Capacity[i]	February 2018	0.7%	-2.3%	-0.1%
	YTD	-1.0%	-5.0%	1.0%
Exchange Rate[ii]	February 2018	11.3%	11.3%	7.3%
	YTD	9.7%	9.7%	6.4%
YTD Arrival Peak[iii]	Peak Year	2017	1996	2008
	Current % of Previous Peak	111.9%	108.0%	73.6%

Sources:
i. IATA Dilo SRS Analyser, Year on year % variance.
ii. Bank of Canada, Year on year % variance.
iii. Statistics Canada, Frontier counts, custom tabulations.

- Destination Canada's Europe region saw a strong start to 2018, with nearly 154,000 visitors over the first two months of the year (+4.1% year-over-year), including 87,000 visitors in February (+5.7%) – a new monthly peak for the region, surpassing the 2008 high water mark.
- This performance was driven by double-digit growth from Germany and France both in February and year-to-date. Arrivals from Germany were up 17.9% in February and 12.8% YTD, while French arrivals were up 13.0% in February and 11.9% YTD. Both markets reached new arrivals peaks, both for the month of February and for the first two months of the year.
- By contrast, arrivals from the UK declined year-over-year (-4.8% in February, -5.5% YTD), continuing the downward trend observed through much of 2017. This performance was observed at a time when consumer confidence in the UK was generally low, with the economic situation being a continued concern ahead of Brexit.
- Tourists from all three Europe markets benefited from improved purchasing power in Canada due to the appreciation of the Euro (+11.3% in February, +9.7% YTD) and the British pound (+7.3% in February, +6.4% YTD).
- Direct air capacity to Canada from these markets was either down slightly or roughly on par with the same period a year ago: from Germany (-5.0% YTD), France (-1.0%), and the UK (+1.0%).

DC Europe Arrivals by Port of Entry

- Year-to-date, three quarters of the arrivals from Destination Canada's Europe region were direct air arrivals (75.4%). Visitors from these markets primarily landed at YUL (38.3%) or YYZ (32.4%). In particular, more than half of French visitors to Canada flew directly into YUL (57.2% of total arrivals).
- Much of the year-to-date decline in UK arrivals was in arrivals via the US by land (-50.7%).

			France	Germany	UK
Air Arrivals from Overseas	YYZ	Arrivals	7,459	10,014	20,096
		YOY%	-17.3%	16.3%	-8.0%
		% of Total	**12.1%**	**35.8%**	**31.4%**
	YVR	Arrivals	1,545	4,475	14,800
		YOY%	31.4%	12.0%	-0.1%
		% of Total	**2.5%**	**16.0%**	**23.1%**
	YUL	Arrivals	35,347	3,376	5,730
		YOY%	28.5%	27.3%	10.7%
		% of Total	**57.2%**	**12.1%**	**8.9%**
	YYC	Arrivals	383	2,451	8,357
		YOY%	-36.2%	-12.7%	-8.2%
		% of Total	**0.6%**	**8.8%**	**13.0%**
	All other airports	Arrivals	241	476	1,242
		YOY%	0.6%	2.6%	2.5%
		% of Total	**0.4%**	**1.7%**	**1.9%**
	Subtotal	Arrivals	44,975	20,792	50,225
		YOY%	15.2%	11.9%	-5.0%
		% of Total	**72.8%**	**74.4%**	**78.4%**
Air Arrivals via the US	All airports	Arrivals	14,103	5,067	9,623
		YOY%	2.2%	-1.3%	8.9%
		% of Total	**22.8%**	**18.1%**	**15.0%**
Sea Arrivals	All sea borders	Arrivals	0	0	12
		YOY%	-100.0%	-100.0%	140.0%
		% of Total	**0.0%**	**0.0%**	**0.0%**
Land Arrivals via US	All land borders	Arrivals	2,524	1,886	2,996
		YOY%	10.5%	77.1%	-50.7%
		% of Total	**4.1%**	**6.7%**	**4.7%**
Total Overnight Arrivals			**61,748**	**27,949**	**64,085**

Source: International Travel Survey, Table C, Statistics Canada.
Note: The figures are preliminary estimates and are subject to change.

ASIA-PACIFIC

DC Asia-Pacific Arrivals to Canada

CURRENT MONTH:

+18.8% ↑ YOY

YTD:

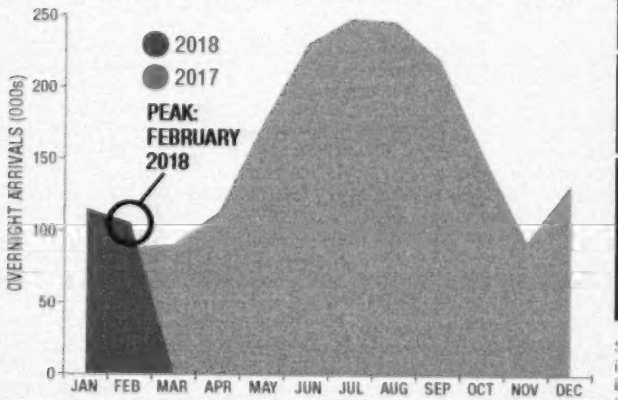
+10.7% ↑ YOY

Overnight Arrivals

	February 2018		YTD 2018	
	Arrivals	% YOY Variance	Arrivals	% YOY Variance
DC Asia-Pacific	**104,918**	**18.8**	**219,922**	**10.7**
Australia	14,997	10.2	42,821	5.9
China	45,533	46.2	92,649	22.3
India	11,953	25.8	23,629	25.8
Japan	19,646	-10.3	31,774	-11.4
South Korea	12,789	5.2	29,049	4.6
Other Asia-Pacific	**36,145**	**94.7**	**70,652**	**16.6**
Hong Kong	7,850	20.9	14,976	-11.3
Taiwan	6,129	57.5	11,339	23.0
Rest of Asia-Pacific	22,166	16.4	44,337	5.0
Total Asia-Pacific	**141,063**	**19.8**	**290,574**	**8.8**

Source: Statistics Canada, Frontier counts, custom tabulations.
Note: The figures are preliminary estimates and are subject to change.

Trend Plot: Total DC Asia-Pacific Arrivals



Asia-Pacific: Key Indicators

		Australia	China	India	Japan	South Korea
Air Seat Capacity[i]	Feb. 2018	-2.6%	3.8%	25.8%	-7.3%	18.8%
	YTD	9.6%	2.9%	31.4%	-2.8%	16.1%
Exchange Rate[ii]	Feb. 2018	-1.5%	4.4%	-0.2%	0.4%	1.5%
	YTD	-0.5%	2.7%	0.3%	-1.0%	2.8%
YTD Arrival Peak[iii]	Peak Year	2017	2017	2017	1997	2017
	Current % of Previous Peak	105.9%	122.3%	125.8%	59.8%	104.6%

Sources:
i. IATA Dilo SRS Analyser, Year on year % variance.
ii. Bank of Canada, Year on year % variance.
iii. Statistics Canada, Frontier counts, custom tabulations.

- With just under 105,000 visitors in February 2018 (+18.8%), and 220,000 visitors over January and February (+10.7%) Destination Canada's Asia-Pacific region led year-over-year growth at the start of 2018. The region also hit new records for monthly and year-to-date arrivals.

- Over the first two months of 2018, India (+25.8%) and China (+22.3%) led the region in arrivals growth, followed by Australia (+5.9%) and South Korea (+4.6%). Continuing the downward trend observed in 2017, arrivals from Japan (-11.4%) fell below the level recorded over the same period last year. All but Japan also reached new arrivals records year-to-date.

- With the Lunar (Chinese) New Year falling in mid-February in 2018 (vs. late January in 2017), the February performance from China stood out, with monthly arrivals over 45,000, up 46.2% compared to February 2017. Double-digit growth was also recorded from India (+25.8%) and Australia (10.2%). South Korean arrivals were also up in February (+5.2%), while Japan fell behind (-10.3%).

- India (+25.8%) saw the greatest expansion of direct air capacity to Canada from this region in February, followed by South Korea (+18.8%). Seat capacity from China expanded at a slightly slower pace (+3.8%), and contracted from Japan (-7.3%) and Australia (-2.6%).

- Purchasing power in Canada for most of this region was relatively stable, though China saw a notable improvement in February (+4.4%).

DC Asia-Pacific Arrivals by Port of Entry

- In February 2018, arrivals from Destination Canada's Asia-Pacific region increased year-over-year across all modes of entry. In particular, direct air arrivals soared by an average of +25.9%. Arrivals via the US grew at a slower pace (+3.2% by land and +4.5% by air), despite contractions in land arrivals from India, South Korea, and Australia, and via the US by air from Japan and China.

- Year-to-date, 70.7% of visitors from Destination Canada's Asia-Pacific markets came by air directly from overseas, with just over half (51.4%) of direct air arrivals landing at YVR.

			Australia	China	India	Japan	South Korea
Air Arrivals from Overseas	YYZ	Arrivals	1,706	28,496	14,955	6,467	7,635
		YOY%	0.2%	25.8%	88.0%	-37.8%	13.2%
		% of Total	**4.0%**	**30.8%**	**63.3%**	**20.4%**	**26.3%**
	YVR	Arrivals	18,524	32,842	2,892	15,680	9,941
		YOY%	16.5%	-0.9%	-1.8%	7.0%	2.5%
		% of Total	**43.3%**	**35.4%**	**12.2%**	**49.3%**	**34.2%**
	YUL	Arrivals	204	11,532	806	72	162
		YOY%	-25.8%	328.4%	8.0%	-19.1%	35.0%
		% of Total	**0.5%**	**12.4%**	**3.4%**	**0.2%**	**0.6%**
	YYC	Arrivals	237	1,311	777	770	39
		YOY%	-7.4%	-19.7%	19.4%	-27.6%	-40.9%
		% of Total	**0.6%**	**1.4%**	**3.3%**	**2.4%**	**0.1%**
	All other airports	Arrivals	57	111	174	15	29
		YOY%	0.3%	0.2%	1.4%	0.1%	0.2%
		% of Total	**0.1%**	**0.1%**	**0.7%**	**0.0%**	**0.1%**
	Subtotal	Arrivals	20,728	74,292	19,604	23,004	17,806
		YOY%	13.7%	23.3%	55.8%	-12.3%	7.0%
		% of Total	**48.4%**	**80.2%**	**83.0%**	**72.4%**	**61.3%**
Air Arrivals via the US	All airports	Arrivals	18,687	10,995	2,224	6,678	4,700
		YOY%	1.4%	-7.9%	30.4%	-16.5%	1.3%
		% of Total	**43.6%**	**11.9%**	**9.4%**	**21.0%**	**16.2%**
Sea Arrivals	All sea borders	Arrivals	0	0	33	0	0
		YOY%	-100.0%	-100.0%	37.5%	-100.0%	-100.0%
		% of Total	**0.0%**	**0.0%**	**0.1%**	**0.0%**	**0.0%**
Land Arrivals via US	All land borders	Arrivals	3,351	7,328	1,707	2,077	6,517
		YOY%	-10.7%	105.7%	-61.8%	26.5%	0.7%
		% of Total	**7.8%**	**7.9%**	**7.2%**	**6.5%**	**22.4%**
Total Overnight Arrivals			**42,821**	**92,649**	**23,629**	**31,774**	**29,049**

Source: International Travel Survey, Table C, Statistics Canada.
Note: The figures are preliminary estimates and are subject to change.

CANADIAN OUTBOUND TRAVEL

Overnight Trips by Canadians

	February 2018	YOY % Variance	Jan.- Feb. 2018	YOY % Variance
United States	1,382,073	7.2	2,895,858	4.8
Other Countries	1,218,180	4.7	2,573,563	2.0
Total Trips from Canada	2,600,253	6.0	5,469,421	3.4

Source: Statistics Canada, International Travel Survey.
Note: The figures are preliminary estimates and are subject to change.

- Overnight trips by Canadians to international destinations gained traction in February 2018, reaching 2.6 million (+6.0% year-over-year), with only slightly more trips to the US (1.4 million) than to other international destinations (1.2 million). Canadian overnight trips to the US were up 7.2% and overseas trips up 4.7% over February 2017.
- Over the first two months of 2018, Canadians took 5.5 million international trips, up 3.4% over the same period in 2017, with overnight travel to the US up 4.8% and to other international destinations up 2.0%.
- Year-over-year growth in Canadian travel to the US was driven primarily by air travel (+5.7%), followed by auto (+3.8%) and other modes of transportation (+1.9%).

INTERNATIONAL ARRIVALS BY PROVINCE OF ENTRY

Overnight Arrivals by Province of Entry

		Newfoundland and Labrador	Prince Edward Island	Nova Scotia	New Brunswick	Québec	Ontario
Total One or more nights	2018	2,770	14	6,140	10,256	336,156	821,975
	Variance YOY%	-18.3%	-12.5%	8.1%	0.8%	18.2%	2.1%
	Change YOY	(622)	(2)	461	81	51,794	17,205
US Residents by Automobile	2018	0	0	0	9,599	111,260	285,929
	Variance YOY%	0.0%	0.0%	0.0%	-0.9%	-1.4%	-4.3%
	Change YOY	-	-	-	(86)	(1,595)	(12,824)
US Residents by Non-Automobile	2018	355	3	2,878	537	98,520	262,721
	Variance YOY%	-55.0%	-76.9%	-17.5%	51.3%	25.5%	5.3%
	Change YOY	(434)	(10)	(609)	182	19,997	13,316
Residents from Other Countries	2018	2,415	11	3,262	120	126,376	273,325
	Variance YOY%	-7.2%	266.7%	48.8%	-11.1%	35.9%	6.5%
	Change YOY	(188)	8	1,070	(15)	33,392	16,713

Source: Statistics Canada, Frontier counts, custom tabulations.
Preliminary estimates subject to change.

Overnight Arrivals by Province of Entry

		Manitoba	Saskatchewan	Alberta	British Columbia	Yukon	Nunavut	CANADA
Total One or more nights	2018	18,734	3,951	95,830	593,763	3,016	66	1,892,671
	Variance YOY%	0.1%	7.2%	1.0%	6.0%	14.5%	-48.4%	5.8%
	Change YOY	10	264	933	33,868	383	(62)	104,313
US Residents by Automobile	2018	11,697	3,206	6,091	218,174	2,887	0	648,843
	Variance YOY%	1.7%	6.8%	-0.3%	1.3%	16.7%	0.0%	-1.7%
	Change YOY	197	204	(16)	2,770	414	-	(10,936)
US Residents by Non-Automobile	2018	6,122	489	58,968	158,143	47	12	588,795
	Variance YOY%	-7.2%	9.4%	7.2%	20.2%	95.8%	500.0%	11.9%
	Change YOY	(472)	42	3,936	26,631	23	10	62,612
Residents from Other Countries	2018	915	256	30,771	217,446	82	54	655,033
	Variance YOY%	45.2%	7.6%	-8.8%	2.1%	-39.7%	-57.1%	8.7%
	Change YOY	285	18	(2,987)	4,467	(54)	(72)	52,637

- In January and February 2018, the largest proportion of international visitors to Canada crossed the border in Ontario (43.4%), though the strongest year-over-year growth in arrivals was recorded in Quebec (+18.2%, an additional 51,794 visitors).
- The slight downturn in US auto arrivals over the first two months of the year (-1.7%), likely related to the cold snap in January, primarily affected Ontario (-4.3%) and Quebec (-1.4%).
- British Columbia saw particularly strong growth in US non-auto (by air, boat, train or bus) arrivals over this period, with an additional 26,631 visitors (+20.2%) compared to January-February 2017, as did Quebec (+25.5%, an additional 19,997 visitors).

ACCOMMODATION

Hotel Performance Indicators by Province

	Occupancy Rates				Average Daily Rate (ADR)				Revenue Per Available Room (RevPAR)			
	Feb. 2018	YOY^ Variance	Jan.- Feb.	YOY^ Variance	Feb. 2018	YOY % Variance	Jan.- Feb.	YOY % Variance	Feb. 2018	YOY % Variance	Jan.- Feb.	YOY % Variance
Alberta[1]	50.8%	1.9	47.3%	2.2	$126.18	-2.0%	$125.75	-1.3%	$64.04	1.8%	$59.42	3.5%
British Columbia	63.5%	0.6	59.4%	1.6	$167.05	8.9%	$167.10	9.2%	$106.04	9.9%	$99.27	12.1%
Saskatchewan	50.8%	2.2	48.3%	2.8	$117.42	-3.1%	$115.91	-4.0%	$59.68	1.2%	$55.95	2.0%
Manitoba	65.2%	1.0	60.1%	1.0	$122.41	2.0%	$121.42	1.6%	$79.76	3.6%	$72.96	3.4%
Ontario	61.0%	1.7	58.1%	2.4	$147.35	5.5%	$144.69	5.2%	$89.86	8.5%	$84.03	9.7%
Quebec	63.3%	-2.3	58.1%	-1.6	$156.31	2.7%	$153.63	2.7%	$99.02	-1.0%	$89.26	-0.1%
New Brunswick	48.1%	1.3	44.8%	0.6	$115.87	5.0%	$115.30	4.8%	$55.74	7.9%	$51.64	6.1%
Nova Scotia	48.7%	-2.3	45.2%	-0.3	$124.48	4.6%	$123.09	3.8%	$60.66	-0.1%	$55.69	3.2%
Newfoundland	41.2%	-7.5	38.1%	-6.1	$131.40	1.0%	$131.54	1.6%	$54.10	-14.5%	$50.14	-12.5%
Prince Edward Island	41.8%	-0.4	40.8%	-0.3	$117.34	12.7%	$113.65	8.7%	$49.03	11.5%	$46.35	8.0%
Northwest Territories	91.2%	5.7	80.6%	3.6	$152.35	1.8%	$152.60	2.8%	$138.98	8.5%	$123.01	7.6%
Yukon	61.4%	1.8	50.6%	-0.2	$120.75	4.7%	$120.68	5.5%	$74.10	7.7%	$61.06	5.1%
Canada	**58.4%**	**0.8**	**54.8%**	**1.5**	**$146.92**	**4.2%**	**$145.27**	**4.3%**	**$85.82**	**5.7%**	**$79.62**	**7.1%**

Note: Based on the operating results of 237,545 rooms (unweighted data).
^ Percentage points.
[1] Excluding Alberta resorts.

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- In February 2018, the National Occupancy Rate was at 58.4%, marginally ahead of February 2017 (+0.8 points). The year-to-date rate was similar at 54.8%, up 1.5 points over the same period a year ago. For both February and year-to-date, the Northwest Territories reported occupancy rates well above average (91.2% in February, 80.6% YTD), followed distantly by Manitoba (65.2% in February, 60.1% YTD) and British Columbia (63.5% in February, 59.4% YTD). Northwest Territories also saw the strongest year-over-year growth in occupancy.

- Some of those provinces and territories with the highest occupancy rates also reported the highest average daily rates (ADR) – British Columbia ($167.05 in February, $167.10 YTD) and Northwest Territories ($152.35 in February, $152.60 YTD). Quebec was also among the provinces with the highest reported ADR ($156.31 in February, $153.63 YTD). Year-over-year, Prince Edward Island saw the strongest growth in ADR in February (+12.7%), and British Columbia YTD (+9.2%). At the National level, the ADR sat at $146.92 in February and $145.27 YTD.

- Canada's average revenue per available room (RevPar) continued to climb at the start of 2018, sitting at $85.82 (+5.7%) in February and $79.62 (+7.1%) YTD. The same three provinces and territories leading the ADR also reported the highest RevPar: Northwest Territories ($138.98 in February, $123.01 YTD), British Columbia ($106.04 in February, $99.27 YTD), and Quebec ($99.02 in February, $89.26 YTD). In February, Prince Edward Island saw the biggest gains in this measure as well (+11.5%), and British Columbia YTD (+12.1%).

ACCOMMODATION

Hotel Performance Indicators by Property Type

	Occupancy Rates				Average Daily Rate (ADR)			
	Feb. 2018	YOY^ Change	Jan.- Feb.	YOY^ Variance	Feb. 2018	YOY Variance	Jan.- Feb.	YOY Variance
Property Size								
Under 50 rooms	43.3%	0.2	40.9%	0.7	$108.01	4.2%	$106.57	3.6%
50-75 rooms	51.8%	1.8	48.9%	2.4	$110.41	3.7%	$109.22	3.4%
76-125 rooms	56.8%	1.5	53.3%	2.0	$124.39	2.6%	$123.59	2.4%
126-200 rooms	58.7%	0.6	54.9%	1.0	$134.75	3.9%	$133.34	3.8%
201-500 rooms	62.8%	0.7	58.8%	1.5	$176.73	5.9%	$174.73	6.2%
Over 500 rooms	66.1%	-1.5	62.0%	-0.5	$206.88	5.9%	$202.31	5.7%
Total	58.4%	0.8	54.8%	1.5	$146.92	4.2%	$145.27	4.3%
Property Type								
Limited Service	53.5%	1.8	50.3%	2.1	$113.57	2.9%	$112.55	2.8%
Full Service	60.6%	0.7	56.6%	1.5	$153.40	4.3%	$151.66	4.7%
Suite Hotel	66.1%	-0.9	63.2%	0.1	$155.86	6.4%	$153.17	5.7%
Resort	61.6%	-1.5	57.4%	-1.1	$260.25	10.3%	$256.85	9.0%
Total	58.4%	0.8	54.8%	1.5	$146.92	4.2%	$145.27	4.3%
Price Level								
Budget	51.2%	1.5	48.2%	1.7	$99.18	7.0%	$98.06	7.3%
Mid-Price	58.9%	0.7	55.3%	1.5	$136.80	2.8%	$135.27	2.8%
Upscale	65.8%	-0.3	61.2%	0.4	$239.47	6.1%	$236.98	5.8%
Total	58.4%	0.8	54.8%	1.5	$146.92	4.2%	$145.27	4.3%

Note: Based on the operating results of 237,545 rooms (unweighted data).
^ Percentage points.

- At the beginning of 2018, larger properties (500+ rooms) continued to report the highest occupancy rates (vs. smaller properties), but also the only year-over-year declines. In February 2018, the rate for those properties sat at 66.1% (-1.5 percentage points), and year-to-date at 62.0% (-0.5 percentage points). Those larger properties also recorded the highest ADR ($206.88 in February, $202.31 YTD).

- Suite hotels and resorts recorded the highest occupancy rates in February (66.1% and 61.6%, respectively), and year-to-date (63.2% and 57.4%), but Limited Service and Full Service hotels saw stronger year-over-year growth. Resorts had the highest ADR, as well as increasing at the fastest pace, in February ($260.25, +10.3%) and YTD ($256.85, +9.0).

- Upscale properties reported the highest occupancy rate (65.8% in February, 61.2% YTD) and ADR ($239.47 in February, $236.98 YTD), but budget properties continued to post the biggest year-over-year increases.